



CANNON BUILDING  
861 SILVER LAKE BLVD., SUITE 203  
DOVER, DELAWARE 19904-2467

STATE OF DELAWARE  
**DEPARTMENT OF STATE**  
DIVISION OF PROFESSIONAL REGULATION

TELEPHONE: (302) 744-4500  
FAX: (302) 739-2711  
WEBSITE: [WWW.DPR.DELAWARE.GOV](http://WWW.DPR.DELAWARE.GOV)

PUBLIC MEETING MINUTES:	<b>COUNCIL ON REAL ESTATE APPRAISERS</b>
MEETING DATE AND TIME:	<b>Tuesday, March 20, 2012 at 9:30 a.m.</b>
PLACE:	861 Silver Lake Boulevard, Dover, Delaware <b>Conference Room A</b> , 2nd floor of the Cannon Building
MINUTES APPROVED:	<b>April 17, 2012</b>

**Members Present**

William Diveley, Chair, Professional Member  
Brad Levering, Professional Member  
Richard Wheeler, Public Member  
Frank Long, Public Member  
Ronald Mandato, Vice Chair, Professional Member  
Gary V. Parker, Professional Member  
Frank Smith, Public Member  
Yvonne Rickards, Public Banking Member

**Division Staff/Deputy Attorney General**

Patricia Davis-Oliva, Deputy Attorney General  
Nicole Williams, Administrative Specialist II

**Members Absent**

None

**Others Present**

None

**Call to Order**

Mr. Diveley called the meeting to order at 9:37 a.m.

**Review and Approval of Minutes**

The Council reviewed the minutes from the February 21, 2012 meeting. Mr. Mandato made a motion to accept the minutes as submitted, seconded by Mr. Wheeler. Motion carried unanimously.

### **Unfinished Business**

#### **Tabled: Discussion on Statute and Regulation Language for Inactives and Reactivation**

The Council tabled this discussion until the April meeting. Ms. Williams will add this discussion item to the April agenda.

### **Status of Complaints**

19-04-10 Elizabeth Reagan: The Council reviewed the consent agreement for Ms. Reagan. Ms. Davis-Oliva stated that the Council had rejected the previous consent agreement as Ms. Reagan had admitted to seven standards of practice violations; therefore it was determined the sanctions did not follow the disciplinary matrix. The previous sanctions of the consent were a \$500 fine and 90 days of probation. Based on the matrix the Council sought additional time of probation and some type of ethical education course. The current consent before them includes an increased fine from \$500 to \$1000, a 90 day suspension but will be stayed for one year of probation, and nine hours of remedial education with three hours in Uniform Standards of Professional Appraisal Practice ("USPAP"), three hours in report writing, and three hours in an ethics course in addition to the CE for renewal of licensure. After the probationary period Ms. Reagan will have to write a request to the Council to have the probation lifted. If at any time during that year she violates her probation, the 90 days of suspension will automatically take effect. Ms. Davis-Oliva clarified that the terms of the probation are the fine and the remedial education that must be completed during the probationary period. Mr. Diveley stated that terms of probation should consist of some type of supervisory practice. Ms. Davis-Oliva reminded the Council that they discussed this matter previously and the consensus was that this would put additional work on the Council to have Ms. Reagan send in appraisal reports for the Council to review. The current consent reads that any violation of the probation year would automatically cause a 90 day suspension of Ms. Reagan's license. The Council further discussed.

Mr. Levering stated that the current consent is too vague and recommended that the fine be paid immediately and the USPAP course be seven hours as USPAP is not a three hour course, a minimum of a 30 day suspension and that the remedial education be completed within 30 days, and the one year probation become effective after the fine is paid and the remedial education is completed within 30 days. Mr. Levering inquired how the Council will be able to determine if her appraisal reports are in compliance during the probationary period. Ms. Davis-Oliva again stated that the Council discussed this matter previously and decided not to require review of her appraisal reports. Mr. Levering stated that he volunteered to review the appraisal reports. Ms. Reagan has had no other disciplinary complaints filed against her before this one. Mr. Levering inquired if the client consents to Ms. Reagan's discipline. Ms. Davis-Oliva stated that the client is not a party to discipline, but that the client, as the victim of any of these cases in any of our professions, or in a criminal prosecution, is just a witness.

Mr. Parker stated that Ms. Reagan has had no other complaints since this complaint over five years ago. He sees two issues with this matter with regard to monitoring of the probationary period which is probably addressed from a protocol standpoint and secondly the continuing education is light, as three CEs in USPAP is a half day, three CEs in report writing is a half day and three CEs in ethics amounts to only a day and a half of education. There is no option to obtain only three CEs in USPAP. Mr. Parker is in agreement with the consent if the education can be changed to full days, each course being seven hours instead of three of each.

In response to questions from the Council, Ms. Davis-Oliva advised that this disciplinary action will not only be reported on the Division's website but also reported to the Appraisal Subcommittee's National Registry. The Council cannot change the consent agreement but can reject it with recommendations. Ms. Davis-Oliva stated that the Council can accept this consent

as it is and tell the prosecutor that in the future the Council would like to see fines and education due within 30 days of the order. The Council further discussed.

Mr. Parker recommended rejecting this consent agreement with the recommendations of having the fine paid within 30 days and the education hours increased and also completed within 30 days. Mr. Wheeler stated that as a public member he agrees that the education should be completed upfront and not after the fact. Mr. Levering clarified that Mr. Wheeler believes the additional education stipulation of the consent needs to be completed prior to performing any appraisals. Mr. Wheeler affirmed. Mr. Levering recommended to include that Ms. Reagan cannot perform any appraisals until she completes the education and pays the fine. Mr. Parker rebutted that the Council would be giving a short window to get everything completed. Ms. Davis-Oliva stated that the Council would also be taking away Ms. Reagan's livelihood and ability to earn money to pay the fine. Mr. Mandato recommended that the additional education requirement of the consent increase to seven hours of USPAP in the classroom and four hours of report writing and four hours of ethics, which can be taken online or in the classroom. Mr. Mandato did not provide a timeline by which the education and fine must be paid during the probationary period. Mr. Levering agreed to have the fine paid within 30 days and education completed later. Mr. Parker recommended having the fine and the education completed within 30 days. The Council further discussed.

Mr. Diveley recommended the fine be paid within 30 days and the education completed within 90 days. Mr. Parker made a motion to reject the consent agreement with the recommendations of the 90 day stayed suspension, the fine of \$1,000 to be paid within 30 days of entry of the order, additional continuing education of seven hours of USPAP in the classroom, minimum of four CEs in report writing and minimum of four CEs in ethics that can be in the classroom or online and all the CEs must be completed within 90 days of the entry of the order, and Ms. Reagan must contact the Council to lift the probation. Mr. Levering seconded the motion. The motion carried unanimously.

19-03-10 Ted Ganderton – Review of Experience Log per the Council's Consent Agreement: Mr. Parker read Mr. Ganderton's email correspondence addressed to the Council regarding his submission of his experience log from January 2012 and his efforts to pay the fine as stipulated in the consent agreement. The Council discussed and reviewed the submitted log. Mr. Levering stated Mr. Ganderton's reasons for not being able to pay the fine as agreed and advised the Council that the log was not submitted on the approved experience log form. Mr. Parker recommended rejecting the submitted log and requiring Mr. Ganderton provide the experience on the approved experience log form. Mr. Levering recommended having Mr. Ganderton also submit samples of the appraisal reports from his experience log and review the reports for compliance. Ms. Williams advised that Mr. Ganderton has not paid the fine or completed the required continuing education as stipulated in the consent agreement. Mr. Ganderton's fine is due anytime during the probationary period and both the fine and CEs are due by the 18th of April.

The Council tabled this matter to allow Ms. Davis-Oliva time to review Mr. Ganderton's consent agreement again. The Council moved to agenda item 3.2.3.

19-01-11 – The Council tabled this item until further notice.

19-03-12 – Mr. Diveley advised that this complaint was dismissed by the Division.

Tabled Discussion: Correspondence re: Reciprocity Policy Pursuant to Dodd-Frank

Ms. Davis-Oliva stated that the Council is already in compliance with this new requirement for reciprocity and no statutory change is required.

Review of Appraisal Reports for Timothy Layton for Licensure

Mr. Mandato stated that he reviewed the reports and they were in compliance. Mr. Mandato made a motion to ratify the findings of Mr. Mandato's review of Mr. Layton's reports for certification, seconded by Mr. Parker. Motion carried unanimously.

**New Business**

New Complaints

None

Ratification of Issued Licenses

Mr. Parker made a motion to ratify the appraiser trainee license issued to Brendan Grike and the Certified General Real Property Appraiser license issued to Joseph Benincasa, seconded by Mr. Levering. Motion carried unanimously.

Ratification of Approved Continuing Education Activities

Mr. Mandato made a motion to ratify the approved education activities listing, seconded by Mr. Levering. Motion carried unanimously.

Review of Temp Applications for discussion only

Mr. Diveley read the list of names approved for temporary permits. There was no discussion by the Council.

Review of Application for Exemption Pursuant to Rule 4.2.3: Richard Allen Foley

Mr. Diveley clarified the purpose of this exemption is to allow appraiser trainees after completion of 250 appraisal experience hours to perform appraisals of properties without the presence of his or her certified supervisor. Mr. Levering inquired about when the appraiser trainee checklist will take effect. Ms. Williams advised that the checklist has been approved by the Council and is waiting to be uploaded to the website for use. Mr. Diveley requested Ms. Williams to check on the status of when the checklist will be posted to the website and report back to the Council. Mr. Levering made a motion to accept the application for exemption for Mr. Foley, seconded by Mr. Long. Motion carried unanimously.

Ms. Davis-Oliva stated that she was ready to continue discussion of Mr. Ganderton's consent agreement order. Mr. Ganderton was disciplined by the Council as he submitted appraisal reports that were found to be in violation of USPAP. Mr. Ganderton and the Council entered into a consent agreement with terms that included a formal reprimand and probationary period of six months from October 18, 2011 to April 18, 2012 and sometime within those six months he is to pay a \$750 fine. Further, sometime within the last 30 days of the probation he has to show the Council proof that he has completed the required continuing education as stipulated in the consent. Additionally in the six months of probation he has to submit a monthly work log and the Council has the discretion to request samples from Mr. Ganderton for review. Currently Mr. Ganderton has not submitted a work log for November 2011, December 2011 or February 2012 nor did he submit clarification that he did not complete any work during that time. Mr. Diveley asked what would be the necessary course of action since Mr. Ganderton is not in compliance. Ms. Davis-Oliva stated that the Council could send a letter requesting clarification or issue a Rule to Show Cause Order as to why Mr. Ganderton should not be further disciplined for his failure to comply with the terms of the Council's Order. The Council would send this to Mr. Ganderton, stating that he is in violation of the consent agreement and he can appear before the Council to explain why he should not be further disciplined.

Mr. Mandato recommended waiting until the end of the probation period to request a Rule to Show Cause Order. Mr. Parker recommended sending a letter making Mr. Ganderton aware that the Council has noticed that he is not currently in compliance with the consent agreement. Mr. Diveley and Mr. Levering concurred. Mr. Parker made a motion to reject Mr. Ganderton's letter and work log submitted and send him a letter advising that he is not in compliance with the consent agreement and must supply the Council with a log every month, seconded by Mr. Mandato. Motion carried unanimously.

**Other Business before the Council (for discussion only)**

Mr. Mandato inquired on the status of the Appraisal Management Companies ("AMC") law. Ms. Davis-Oliva stated that the bills she submitted clarified who can appraise properties in Delaware with a market value in excess of one million dollars complying with the AQB mandate, the AMC draft bill was submitted, and the criminal background check draft bill was submitted. The Division accepted all of the Council's draft bills but has not submitted them to the legislature.

Mr. Parker commented on the recently enacted assessor regulations stating that he received an email from Phil McGinnis that the City of Dover is in the process of passing an ordinance requiring that any reassessment be conducted by mass appraisal companies that are licensed by the Division. This flies directly in the face of the opposition to the Council's assessor regulations. The Council agreed that is ordinance will prove to be in the Council's favor. There was no further discussion.

**Public Comment**

There was no public comment.

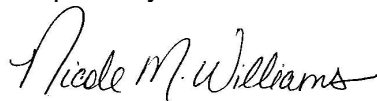
**Next Meeting**

The next meeting is scheduled for April 17, 2012 at 9:30 a.m. in Conference Room A second floor, Cannon Building, 861 Silver Lake Boulevard, Dover, Delaware.

**Adjournment**

Mr. Mandato made a motion, seconded by Mr. Parker to adjourn the meeting. There being no further business before the Council, the meeting adjourned at 10:45 a.m.

Respectfully submitted,



Nicole M. Williams  
Administrative Specialist II